

2001 DRAFTING REQUEST**Senate Amendment (SA-SB55)**Received: **05/25/2001**Received By: **mdsida**Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau 6-3847**By/Representing: **Zimmerman**This file may be shown to any legislator: **NO**Drafter: **mdsida**

May Contact:

Addl. Drafters: **isagerro**Subject: **Criminal Law - miscellaneous
Gambling - Indian gaming**Extra Copies: **rlr**Submit via email: **NO**

Requester's email:

Pre Topic:

LFB:.....Zimmerman -

Topic:

Transfers of gambling devices to Indian gaming facilities

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mdsida 05/25/2001	csicilia 05/29/2001		_____			
/1			jfrantze 05/29/2001	_____	lrb_docadmin 05/29/2001		
/2				_____	lrb_docadmin 06/07/2001		

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For:

<END>

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/?	mdsida 05/25/2001	csicilia 05/29/2001					
/1			jfrantze 05/29/2001		lrb_docadmin 05/29/2001		

FE Sent For:

1/2 ej, 6/6
01

7/6/7

Self
6/7/01
<END>

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1?	mdsida	1 cjs 5/28/01	6/29	PG 5/29			

FE Sent For:

<END>

Representative Gard

ADMINISTRATION -- DIVISION OF GAMING

Exclusion of Penalties

Art 2.

Motion:

Move to provide that a person who manufactures, transfers commercially or possesses with intent to transfer commercially, gambling devices to a gaming facility authorized under the Indian Gaming Regulatory Act or otherwise lawful gambling place would be excluded from the current law provision that specifies a person making such transfers is guilty of a Class E felony.

"Indian gaming facility" - 569.01(1j)
 "Indian gaming compact" - 569.01(1g)

Note:

MO# 903
 Burke
 Decker
 Moore
 Shlilski
 Robson - Plache
 Wirch
 Darling
 Welch
 Y
 2
 m - Gard
 2 - Kaufert
 Albers
 Duff
 Ward
 Huebsch
 Huber
 Coggs
 14 - 2

5/24/01

Legislative Fiscal Bureau

One East Main, Suite 301 o Madison, WI 53703 o (608) 266-3847 • Fax: (608) 267-6873

Date: May 24, 2001

DELIVER TO: Ivy Sager-Rosenthal

Addressee Fax #: 4-6948

Addressee Phone #: 1-4455

of Pages, Including Cover: 10

Sender's Initials: AZ

From: Art Zimmerman, Fiscal Analyst

Ivy,

Attached is the information I was given this morning relating to Motion #903.

Also, I just faxed you motion #826, the tribal gaming revenue motion. Would you please make copies of it and hand it out to other drafters so we don't have to fax it over multiple times? Thanks.

Art



HILBERT & TENUTA

Background on prohibition of making and delivering gambling devices in Wisconsin

The prohibition on possessing and manufacturing gambling devices goes back to 1849. At that time, it was unlawful to possess or make lottery tickets. Over the decades there were occasional modifications to the law.

It was in the criminal code revisions of 1955 that the title used in Sec. 945.05 *Dealing in Gambling Devices* was implemented, and the language found in 945.05 (1) (a) & (b) became law. This language was suggested by the Legislative Council Committee that redrafted the criminal code. In 1969 and again in 1977 there were some additional changes to 945.05(1)(b) to reflect the language as it now reads.

The exemptions found in 945.05 (1e) & (1m) were included as part of the 1999-2001 budget bill. It is thought that (1e) was implemented to allow non-profits and public educational institutions that provide a bachelor's degree or higher in casino management to possess gambling devices. One could suppose that this would include classes in the manufacturing of gambling devices.

It would seem reasonable since the state now allows for Indian gaming casinos, that the state should allow for the manufacturing and transporting of gambling devices used in those casinos.

Amend 945.05 (1e) to read:

945.05(1e) Subsection (1) does not apply to a person who manufactures, transfers commercially or possesses with the intent to transfer commercially gambling devices described in sub. (1)(a) and (b) to a gaming facility established pursuant to 25 U.S.C. 2710 or otherwise lawful gambling place, a nonprofit or public educational institution that provides an educational program for which it awards a bachelor's or higher degree for the use in a casino gaming management class.

Language and History

Amend 945.05 (1e) to read:

945.05(1e) Subsection (1) does not apply to a person who manufactures, transfers commercially or possesses with the intent to transfer commercially gambling devices described in sub. (1)(a) and (b) to ~~gaming facility established pursuant to 25 U.S.C. 2710 or otherwise lawful gambling place~~, a nonprofit or public educational institution that provides an educational program for which it awards a bachelor's or higher degree for the use in a casino gaming management class.

The prohibition on possessing and manufacturing gambling devices goes back to 1849. At that time, it was unlawful to possess or make lottery tickets. Over the decades there were occasional modifications to the law.

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The exemptions found in 945.05 (1e) & (1m) were included as part of the 1999-2001 budget bill. It is thought that (1e) was implemented to allow non-profits and public educational institutions that provide a bachelor's degree or higher in casino management to possess gambling devices. One could suppose that this would include classes in the manufacturing of gambling devices.

Economics

It would seem reasonable since the state now allows for Indian gaming casinos, that the state should allow for the manufacturing of gambling devices used in those casinos. Currently, casinos in Wisconsin must obtain their machines from manufacturers outside of Wisconsin. By making this change we have an opportunity to capture those dollars flowing outside our borders resulting in more Wisconsin jobs, and increased revenue. *50 new jobs*

Not an expansion of gambling

Some might try to make the argument that such a move is an expansion of gambling. This bill, however, does not impact the number of machines that can exist in our state, nor does it permit them to be sold to anyone but a licensed business for the purposes outlined in current law.

It only makes sense that if we are going to allow casinos in Wisconsin that we allow the legal manufacture of the games that will be used in them.



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb0408/2
MGD&ISR:.....

D-Note

Soon
cjs

LFB:.....Zimmerman - Transfers of gambling devices to Indian gaming facilities

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 2001 SENATE BILL 55 AND 2001 ASSEMBLY BILL 144

Insert 1/2

1 At the locations indicated, amend the bill as follows:

2 1. Page 1696, line 11: after that line insert:

3 ~~SECTION 3966j.~~ 945.05 (1e) of the statutes is renumbered 945.05 (1e) (b)
4 (intro.) and amended to read:

5 945.05 (1e) (b) (intro.) Subsection (1) does not apply to a person who
6 manufactures, transfers commercially or possesses with intent to transfer
7 commercially gambling devices described in sub. (1) (a) and (b) to a any of the
8 following:

2. A nonprofit or public educational institution that provides an educational program for which it awards a bachelor's or higher degree for the use in a casino gaming management class.

History: 1977 c. 173, 297; 1979 c. 32 s. 92 (8); 1993 a. 486; 1999 a. 9, 434.

SECTION 3966m. 945.05 (1e) (a) of the statutes is created to read:


945.05 (1e) (a) In this subsection, “authorized gambling facility” means any of the following:

1. An Indian gaming facility, as defined in s. 569.01 (1j).

2. A gaming establishment located on lands acquired after October 17, 1998, by the U.S. secretary of the interior in trust for the benefit of an Indian tribe.

3. A facility located outside of this state at which gambling lawfully takes place.

SECTION 3966q. 945.05 (1e) (b) 1. of the statutes is created to read:

1. An authorized gambling facility. 

(END)

**2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb0408/lins
MGD:.....

INSERT

1/2

(B)

3966h

"SECTION ?? 945.05 (1) (intro.) of the statutes is amended to read:

945.05 (1) (intro.) Except as provided in subs. (1e) ~~(1d)~~ and (1m), whoever manufactures, transfers commercially or possesses with intent to transfer commercially either of the following is guilty of a Class E felony:

History: 1977 c. 173, 297; 1979 c. 32 s. 92 (8); 1993 a. 486; 1999 a. 9, 134.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0408/?dn
MCD&ISR:.....

cjs

Covered by

The reference to an "otherwise lawful gambling place" in the motion is unclear. I assume that it includes lawfully operating out-of-state gambling facilities. This amendment, however, does not affect current law regarding the manufacture of gambling devices for or the transfer of gambling devices to casino boats ~~built under~~ s. 945.095, since, under s. 945.01 (4) (am), casino boats are not "gambling places."

those

Michael Dsida
Legislative Attorney
Phone: (608) 266-9867

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0408/1dn
MGD:cjs:jf

May 29, 2001

The reference to an "otherwise lawful gambling place" in the motion is unclear. I assume that it includes lawfully operating out-of-state gambling facilities. This amendment, however, does not affect current law regarding the manufacture of gambling devices for or the transfer of gambling devices to casino boats covered by s. 945.095, since, under s. 945.01 (4) (am), those casino boats are not "gambling places."

Michael Dsida
Legislative Attorney
Phone: (608) 266-9867



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb0408/L
MGD&ISR:cjs:js

Slap

LFB:.....Zimmerman - Transfers of gambling devices to Indian gaming facilities

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 2001 SENATE BILL 55 AND 2001 ASSEMBLY BILL 144

retrieve
from hold

Soory

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1696, line 11: after that line insert:

3 **"SECTION 3966h.** 945.05 (1) (intro.) of the statutes is amended to read:

4 945.05 (1) (intro.) Except as provided in subs. (1e) (h) and (1m), whoever
5 manufactures, transfers commercially or possesses with intent to transfer
6 commercially either of the following is guilty of a Class E felony:

7 **SECTION 3966j.** 945.05 (1e) of the statutes is renumbered 945.05 (1e) (b) (intro.)
8 and amended to read:

9 945.05 **(1e)** (b) (intro.) Subsection (1) does not apply to a person who
10 manufactures, transfers commercially or possesses with intent to transfer

1 commercially gambling devices described in sub. (1) (a) and (b) to a any of the
2 following:

3 2. A nonprofit or public educational institution that provides an educational
4 program for which it awards a bachelor's or higher degree for the use in a casino
5 gaming management class.

6 **SECTION 3966m.** 945.05 (1e) (a) of the statutes is created to read:

7 945.05 (1e) (a) In this subsection, "authorized gambling facility" means any of
8 the following:

9 1. An Indian gaming facility, as defined in s. 569.01 (1j).

10 2. A gaming establishment located on lands acquired after October 17, 1998,
11 by the U.S. secretary of the interior in trust for the benefit of an Indian tribe.

12 3. A facility located outside of this state at which gambling lawfully takes place.

13 **SECTION 3966q.** 945.05 (1e) (b) 1. of the statutes is created to read:

14 945.05 (1e) (b) 1. An authorized gambling facility."

15 (END)

LFB:.....Zimmerman – Transfers of gambling devices to Indian gaming facilities

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

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2 **1.** Page 1696, line 11: after that line insert:

3 “**SECTION 3966h.** 945.05 (1) (intro.) of the statutes is amended to read:

4 945.05 (1) (intro.) Except as provided in subs. (1e) (b) and (1m), whoever
5 manufactures, transfers commercially or possesses with intent to transfer
6 commercially either of the following is guilty of a Class E felony:

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9 945.05 (1e) (b) (intro.) Subsection (1) does not apply to a person who
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13 **SECTION 3966q.** 945.05 (1e) (b) 1. of the statutes is created to read:

14 945.05 (1e) (b) 1. An authorized gambling facility.”.

15 (END)